

Presidential Awards for Excellence in Microenterprise Development

Excellence in Public or Private Support for Microenterprise Development

Ms. Foundation for Women

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| Location: | New York, New York |
| Program Type: | Foundation-based national microenterprise support program |
| Service Area: | National |
| Target Market: | Community-based organizations primarily serving low-income women |
| Contact: | Anna Wadia, Director of Program (212) 742-2300, ext. 319 |

The Ms. Foundation for Women was selected for a Presidential Award for its long-term commitment to the microenterprise development field. The Foundation's Collaborative Fund for Women's Economic Development (Collaborative Fund) has created a unique partnership that has brought together 39 foundations, corporations, and individuals to pool their resources to support microenterprise development organizations (MDOs) across the country. Since 1991, the Collaborative Fund has leveraged over \$10 million for multi-year grants and technical assistance to MDOs.

The Collaborative Fund is part of the Ms. Foundation's Women's Economic Security Program. The program's purpose is to improve and create economic opportunities for low-income women, their families, and their communities. The program and Collaborative Fund are integral parts of the Ms. Foundation's overall mission to support the efforts of women and girls to govern their own lives and influence the world around them.

The Collaborative Fund has significantly enhanced the overall funding environment for MDOs. The Ms. Foundation has attracted a new category of donor to the microenterprise field -- family foundations. Participation in the Collaborative Fund by family foundations and individuals has grown from \$312,000 in 1991 to \$2.3 million today. Furthermore, many of the Collaborative Fund donors who had never previously funded microenterprise now make their own direct grants to MDOs. One such foundation has made nearly \$400,000 in direct grants to MDOs since joining the Collaborative Fund. Finally, the Collaborative Fund provides seed money to MDOs to experiment with new program strategies -- such as working with welfare recipients. The success of these MDOs has played a key role in attracting new federal funding.

The Ms. Foundation supports MDOs through an integrated and comprehensive set of initiatives. For more than ten years, the Ms. Foundation has sponsored the Institute on Women and Economic Development. The Institute has trained more than 2,000 women from across the country on the basics of microenterprise development. Since 1987, the Ms. Foundation has sponsored a Peer-to-Peer Assistance Program. Through this unique and innovative program, some 25 MDOs have come together to collaborate and share their expertise. Finally, the Ms. Foundation documents and widely disseminates lessons learned by practitioners about microenterprise development as a poverty alleviation strategy for low-income women.

Customer Profile: Acre Family Day Care Corporation, Lowell, Massachusetts and Marea Washington, Family Day Care Business Owner

From its early days as a small project of a local community organization to its current status as a \$2 million organization, the Acre Family Day Care Corporation (Acre) provides a clear illustration of the Ms. Foundation's work. Based in Lowell, MA, Acre provides training to Spanish-speaking residents on how to start childcare businesses in their homes. Over the past 12 years, more than 250 child care providers have graduated from the Acre training program.

The Ms. Foundation began funding the fledgling Acre in 1991 with a \$150,000 grant from the Collaborative Fund. The Collaborative Fund's award legitimized the Acre program's vision to other funders. This support led to new resources that Acre needed to transform itself from a pilot project into a full-fledged organization. After receiving the grant, Acre created a training program for a growing population of Cambodian immigrants in Lowell. Acre was able to enhance its support services to child care providers, including business improvement loans, monthly workshops, and scholarships for continuing education. In 1996, Acre received another \$150,000 grant from the Collaborative Fund. This grant was used to create a training program in English and modify Acre's curriculum to better meet the needs of welfare recipients.

Marea Washington, 27, is one of Acre's graduate. As a single mother, she is the sole supporter for her three children. She spent three years on welfare after her second child was born -- an experience she did not want to repeat. When her third child was just two weeks old, Marea enrolled in Acre's 12-week Family Child Care and Entrepreneur training program. The program offered Marea the promise of being able to earn a decent living while caring for her infant.

Marea became a licensed child care provider in April 1998. In her first year of operation, Marea earned \$14,000 in business revenue. Last year, her business revenue rose to \$22,000. This year, she's on her way to bringing in more than \$30,000. Last year, the average provider in the Acre network earned \$33,600 in business revenue with some reporting as much as \$54,000.

Marea is among the 50 Acre customers who have signed up for its new Individual Development Account program. Through this program, Marea deposits \$25 a month into a special savings account, which is matched by \$75 from public and private monies. By the end of two years, Marea will have saved \$2,400 for a down payment on a house. Purchase of a house will enable Marea to begin caring for children with physical disabilities. Marea plans to continue operating her home child care business until her youngest child begins school in three years. Afterwards, she would like to return to school to obtain the credentials that are needed to work with children with special needs. Acre will be there to help Marea with that goal through its early childhood education scholarship program.